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## VIVE LA COMPÉTITION

### BRITISH RETAILER MARKS & SPENCER TAKES ON FRANCE'S HYPERMARKETS.

by Bennett Voyles

British food-and clothing chain Marks & Spencer is making a new push in Paris, and observers say Parisians are likely to say oui to the food — if less likely to say that about the clothing line. After an absence of a decade, Marks & Spencer planted a flagship store on the Champs-Élysées in 2011, then followed that with three stores in Greater Paris in 2012 and 2013 — most recently a 45,000-square-foot store as anchor tenant in the newly refurbished Beaugrenelle mall, not far from the Eiffel Tower.



In October the company announced plans for further expansion. The next stores to open will be a full-line, 34,000-square-foot store by this summer at a suburban mall in Villeneuve-la-Garenne, and an 8,000-square-foot M&S Simply Food grocery store at the suburban train station in La Défense, Paris' modern suburban office district. The grocery is part of a franchise deal with Relay France, a chain of newsstands, to open about 10 M&S Simply Food specialty stores over the next four years in Paris.

Some may ask: British food in France? Well, the French have adopted other sorts of foreign food over the years; they are McDonalds' biggest customers in continental Europe, and Starbucks coffee is growing more popular among them, to be sure. But distinctly British offerings remain not all that easy to find, despite London and Paris being separated by a train ride of only 2 hours and 12 minutes.

Monoprix, an upscale food and clothing retailer, offers some British foods, but only to persevering shoppers; customers looking for delicacies from the far side of the Channel — such as baked beans and shortbread — can sometimes find them tucked away in a foreign-food aisle. The M&S Simply Food concept may be the exception, however. The shops, which feature fresh, good-quality products and small portions, may well suit Parisians, observes Raphael Moreau, a London-based retail analyst at Euromonitor International.

Stephen Clarke, author of a number of books about the misadventures of an Englishman in France, also thinks the food offerings will succeed. "Despite what they say about British food ... the French love English cakes and biscuits." He is less optimistic about how the clothing side of Marks & Spencer's business will fare, however. "The French like their English clothes funky and punky," he said, "not staid and hard-wearing."

Chic or not, though, Marks & Spencer operated profitably in France from 1975 to 2001, until the leadership closed the shops as part of a larger plan to concentrate on its faltering British business. This time, however, the company will find selling clothes a challenge, retail analysts say. "British women are certainly turning up their noses at the moment," said Bryan Roberts, insights director at Kantar Retail, a London-based consultant firm. "There's no reason why French ladies will be particularly excited by what M&S has to offer.

Marks & Spencer began to lose its hold on women's wear in the late 1990s as pressure from budget stores such as H&M and Primark grew, Roberts says; and clothes have fallen now to just over 50 percent of the company's turnover. Marks & Spencer clothing lines, regarded as less fashionable and more expensive than those of the competition, have struggled for a decade now. "They don't really know who their shopper is," Roberts said. And yet, with a new fashion team in place, that could change: "Watch this space," he quipped.

The full-line stores may have a tough time going forward in both the U.K. and France, says Moreau. "The larger stores with everything under one roof could be the most-challenging ones to operate profitably, due to their high operating costs and the difficulties posed by having to meet a broad range of sometimes conflicting customer needs," Moreau said.

Of course, even in the food hall, some items may just not translate. The week before Christmas, business was bustling in the gleaming new food hall at Beaugrenelle as people stocked up on marmalade, Marmite, and meat pies. But Christmas pudding was already being deeply discounted — buy one, get one free. "It is too English," said one woman, wrinkling her nose. And she was the checkout clerk.

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